Memorandum

To: CHAIR AND COMMISSIONERS CTC Meeting: August 17-18, 2005

Reference No.: 2.4d.(1)

Action Item

From: CINDY McKIM Prepared by: Bimla G. Rhinehart

Chief Financial Officer Division Chief

Right of Way and Land Surveys

Ref: <u>DIRECTOR'S DEEDS</u>

RECOMMENDATION:

The Department of Transportation recommends the California Transportation Commission authorize the execution of the attached Director's Deeds. The conveyances of excess State-owned real property, including exchanges, are pursuant to Section 118 of the Streets and Highways Code. The items included on this agenda involve an estimated current value of \$4,175,283. The State will receive a return of \$6,234,087 from the sale of these properties. A recapitulation of the items presented follows (maps attached):

<u>01</u>-04-Ala-880-PM 34.2 Oakland Disposal Unit DD 000206 01 01 3,046 sf

Convey to Francesco Indrio and Rebecca Indrio, et al. \$60,920 (Appraisal \$60,920)

Finding "A" – direct sale to an adjoining owner of a parcel that does not have independent development potential. The selling price represents the appraised value received from the eventual adjoining owner. The subject parcel is a remnant that is incapable of independent development as it is very narrow and currently located between two portions of a city street. The city of Oakland has passed an ordinance to vacate the portion of the street between the subject parcel and the buyer's property. The vacation will not take effect until the public utilities, currently located in the street, are relocated. The owner has agreed to bear the cost of the relocation if provided assurance that the sale of the excess will subsequently be consummated.

Plottage value was considered in the evaluation due to the fact that the subject parcel, when assembled with the portion of city street to be vacated will not be capable of independent development.

The Department requests approval of this transaction, which will not be completed until the City's vacation and the property owner's fulfillment of their utility relocation obligations.

02-04-Ala-880-PM 34.2

Oakland

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Disposal Unit DD 000209 01 01

7.618 sf

Convey to Duong Family Investments LLC

\$152,360 (Appraisal \$152,360)

Finding "A" – direct sale to an adjoining owner of a parcel that does not have independent development potential. The selling price represents the appraised value received from the eventual adjoining owner. The subject parcel is a remnant that is very narrow and currently located between two portions of a city street. The city of Oakland has passed an ordinance to vacate the portion of the street between the subject parcel and the buyer's property. The vacation will not take effect until the public utilities, currently located in the street, are relocated. The owner has agreed to bear the cost of the relocation if provided assurance that the sale of the excess will subsequently be consummated.

Plottage value was considered in the evaluation due to the fact that the subject parcel, when assembled with the portion of city street to be vacated will not be capable of independent development.

The Department requests approval of this transaction, which will not be completed until the City's vacation and the property owner's fulfillment of their utility relocation obligations.

<u>03</u>-04-Ala-880-PM 34.2 Disposal Unit DD 000216 01 01 Oakland 6,908 sf

Convey to Joseph Santini

\$138,160 (Appraisal \$138,160)

Finding "A" – direct sale to an adjoining owner of a parcel that does not have independent development potential. The selling price represents the appraised value received from the eventual adjoining owner. The subject parcel is very narrow and currently located between two portions of a city street. The city of Oakland has passed an ordinance to vacate the portion of the street between the subject parcel and the buyer's property. The vacation will not take effect until the public utilities, currently located in the street, are relocated. The owner has agreed to bear the cost of the relocation if provided assurance that the sale of the excess will subsequently be consummated.

Plottage value was considered in the evaluation due to the fact that the subject parcel, when assembled with the portion of city street to be vacated will not be capable of independent development.

The Department requests approval of this transaction, which will not be completed until the City's vacation and the property owner's fulfillment of their utility relocation obligations.

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<u>04</u>-04-SCI-87-PM 11.0 San Jose Disposal Unit DD 045553 01 01 27,157 sf

Convey to Green Valley Enterprises; Clifford Swenson \$314,432 (Appraised \$314,432)

and Molly Swenson

Finding "A" — Direct sale to an adjoining owner of a parcel that does not have independent development potential. The subject property has a highest and best use when plotted to the adjacent property. The appraisal considered the plottage potential to the adjoining property, and is reflected in the final conclusion of value. A portion of the consideration the Department will receive is land required for a transportation improvement project on State Route 84 in Santa Clara County, and is in settlement of an eminent domain action.

<u>05</u>-04-SCI-82-PM 12.0 Santa Clara Disposal Unit DD 048415 01 01 4,960 sf

Convey to Iraj Jahanian and Delbar Jahanian \$305,000 (PSE \$207,000) The selling price represents the highest bid received at the public sale. Bidding was active and determined among three primary participants.

<u>06</u>-04-Ala-880-PM 33.6 Oakland Disposal Unit DD 050560 02 01 4,791 sf

Convey to East Bay Asian Local Development Corporation \$9,400 (Appraisal \$9,400)

And Jubilee West Inc.

Credit received represents the approved value of exchanged parcel. This transaction is based on an administrative settlement reached in 1994. Since that time, the Department was obligated to perform environmental monitoring and mitigation. That being completed, the Department is now free to complete the transaction and convey the property per settlement.

<u>07</u>-04-CC-4-PM 19.3 Bay Point Disposal Unit DD052965 01 01 2.388 ac

Convey to Alves Ranch, LLC \$300,000 (Appraisal \$260,000)

Finding "A" – direct sale to an adjoining owner of a parcel that does not have independent development potential. The selling price represents the highest price received from the only adjoining owner. The parcel is long, narrow and irregular in shape. The highest and best use is considered to be plottage.

<u>08</u>-04-Ala-580-PM R22.8 Alameda
 Disposal Unit DE 032308 2 6,376 sf
 Convey to East Bay Municipal Utility District Appraisal N/A

Conveyance is 100% State's obligation pursuant to Utility Agreement number 452.45 dated August 22, 1984 and amended on March 24, 2005.

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<u>09</u>-05-SB-1-PM 29.1-23.4 Santa Barbara

Disposal Unit DE 02261 01 01 2.0 ac

Convey to Central Coast Water Authority \$13,861 (Appraisal \$13,861)

Direct Conveyance of Easement to Public Entity. This is a permanent pipeline easement for water transmission and distribution purposes and use of its appurtenances.

<u>10</u>-07-LA-30-PM R3.7 La Verne Disposal Unit DD 0B2970 02 01 5,382 sf

Convey to Paul Hannah and Jean Hannah \$22,900 (Appraisal \$22,900)

Finding "A" - direct sale to an adjoining owner of a parcel that does not have independent development potential. The subject property is a long narrow 8.69-foot by 618.98-foot strip of land that abuts the freeway's soundwall on the north side of the property. The subject is fully encumbered by a footing easement. The highest and best use of this property is as plottage to adjacent property. Mr. and Mrs. Hannah, who are the only adjacent owners, currently own a 20 linear foot easement across the adjoining privately owned property that allows them access. The purchase of this excess would not increase the value of their property by establishing access since they currently have access via this easement.

 11-07-LA-14-PM 29.7
 Santa Clarita

 Disposal Unit DD 00C999 01 01
 535,857 sf

 Convey to PagSup, LLC
 \$200,000 (Ar

Convey to PacSun, LLC \$200,000 (Appraisal \$200,000)

Finding "A" - direct sale to an adjoining owner of a parcel that does not have independent development potential. The selling price of the Disposal unit represents the appraised value of a landlocked parcel, with one adjoining owner. The highest and best use of the property is as plotted to the Golden Valley Ranch project. The value and the highest and best use were limited by the parcel's size, shape, location, allowable density, and erratic terrain. The terrain varies from rolling hillside to sheer slopes having minimal utility. Any potential development would still require a longitudinal encroachment permit for the construction of the soldier pile wall along the Department's remaining right of way. This parcel is not currently zoned but will most likely be zoned to conform to the adjacent property, which is commercial community (CC).

Plottage of the subject property to the adjoining development will not increase the adjoining tenant's previously approved density/utility or affect the permissible floor area ratios. The excess land parcel merely enhances the visual appeal of the proposed development. The land value derived is based on comparable data that sold on the basis of net buildable area. Therefore, since the subject does not increase the buildable area of the adjoining property, there is no increase in the value of the adjoining property as a result of the subject's plottage.

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<u>12</u>-07-LA-101-PM 27.4 Los Angeles Disposal Unit DD001505 02 01 6,539 sf

Shellie Halper Trust \$655,000 (PSE \$200,000) Selling price represents the highest bid received at the first public sale. There were eight active

bidders.

<u>13</u>-07-LA-126-PM 14.8 Santa Clarita Disposal Unit DD 046972 01 01 143,725 sf

Convey to Diaba Real Estate Investments \$520,000 (PSE \$182,000) Selling price represents the highest bid received at the seventh public sale. There were nine active bidders

<u>14</u>-07-LA-110-PM 10.8 Los Angeles Disposal Unit DD073552 01 01 11,724 sf

Convey to Juan Carlos Jimenez \$280,000 (PSE \$241,000)

Selling price represents the highest bid received at the first public sale. There were four active bidders.

<u>15</u>-LA-07-110-PM 13.0 Los Angeles Disposal Unit DD 980522 01 01 35,406 sf

Convey to Letran, LLC \$900,000 (Appraisal \$374,000)

Selling price represents the highest bid received at the first public sale, after two attempts by the city of Cudahy to purchase the parcel failed. The city of Cudahy twice entered into agreement with the Department to purchase the property, and twice withdrew. The property was then offered at public auction, for minimum of \$374,000. There were eight active bidders.

<u>16</u>-08-Riv-15-PM 43.6 Norco Disposal Unit DD 009607 01 01 2.0 ac

Convey to Jose & Liberdade Fernandes \$1,490,000 (Appraisal \$1,125,000)

Selling price represents the highest bid received at the second public sale. There were four active bidders.

<u>17</u>-08-SBD-210-PM 16.9 Rialto Disposal Unit DD 011645 01 01 37,271 sf

Convey to Inland Real Estate Group, LLC \$225,000 (PSE \$154,000) Selling price represents the highest bid received at the first public sale. There were three active bidders.

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<u>18</u>-11-SD-905-PM 6.3 Disposal Unit DD 019082 01 01 Convey to Pardee Homes San Diego 22,990 sf

\$405,000 (Appraisal \$405,000)

Finding "A" - direct sale to an adjoining owner of a parcel that does not have independent development potential. This transaction is a decertification and a direct sale at the request of the adjoining owner. The selling price represents the appraised value of 22,990 square foot landlocked parcel to the adjoining owner. The highest and best use of the excess parcel is as plottage to the proposed buyer's property for residential subdivision development. The applicant's appraiser calculated the valuation based upon a difference in value of the applicant's land before the addition of the excess parcel, versus the value of the applicant's land after the addition of the excess parcel. The value difference, \$279,000, considered enhanced homesite marketability and the applicant's estimate of net site preparation cost savings. The Department's staff appraisers considered the \$279,000 to be an underevaluation. In accordance with Right of Way Manual Sections 7.01.15 and 7.01.21, the District revised the appraisal to meet the Department's standards and expectations. A Memorandum of Adjustment has been completed and approved for a final valuation in the amount of \$405,000.

19-12-Ora-05-PM 34.0 Disposal Unit DD 000076 01 01 Avres Holding LTD Orange 9,103 sf

\$26,000 (Appraisal \$26,000)

Finding "A" - direct sale to an adjoining owner of a parcel that does not have independent development potential. Selling price represents the appraised value of a landlocked parcel to the adjoining owner. The highest and best use of the property is as plotted to the proposed buyer's property for retail/commercial development. Although the subject property is large enough for development, it lacks both legal and physical access. The subject parcel does have a 40-foot opening along the southeast edge but the location would not allow permitted public access onto the property. Any development would necessarily include the adjoining property. The appraisal is based on the increase in value to the adjoining property (plottage potential) with the acquisition of the subject parcel.

<u>20</u>-12-Ora-05-PM 34.0 Disposal Unit DD 063951 01 01 Orange 11,792 sf

Ayres Holding LTD

\$89,000 (Appraisal \$89,000)

Finding "A" - direct sale to an adjoining owner of a parcel that does not have independent development potential. Selling price represents the appraised value of a landlocked parcel to the adjoining owner. The highest and best use of the property is as plotted to the proposed buyer's property for retail/commercial development. Although the subject property is large enough for development, it lacks both legal and physical access. The appraisal is based on the increase in value to the adjoining property (plottage potential) with the acquisition of the subject parcel.

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21-12-Ora-5-PM 32.3 Disposal Unit DD 069728 01 03 Convey to Gerald P. Ball and Isabel V. Ball Santa Ana 2,626 sf

\$250 (Appraisal \$250)

Finding "A" - direct sale to an adjoining owner of a parcel that does not have independent development potential. Selling price represents the appraised value received from the only adjoining owner. D-069728-01-03 is small fragment remainder, odd-shaped parcel, encumbered by drainage easement, and incapable of independent development. The highest and best use would be as an additional yard to a fully improved adjoining property. The adjoining property gains little or no contributory value with the addition of the State's property. It is considered to be in the Department's best interest to dispose of the property, thereby eliminating further cost of maintenance and any potential liability inherent on unkempt property.

SUMMARY OF DIRECTOR'S DEEDS 2.4d.(1)
PRESENTED TO CALIFORNIA TRANSPORTATION COMMISSION - AUGUST 2005

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				ALL S				- % Return
	Direct	Public	Non-Inventory	Other Funded	Total	Current Estimated Value	Return From Sales	From Sales Current Value
District	Sales	Sales	Conveyances	-34les		0\$	0\$	
01						\$0	\$0	
02					0 0	0\$	\$0	
03						\$1 142.272	\$1,407,076	123%
40	7	-			0	\$13,861	\$13,861	100%
05	1				- c	\$0	0\$	
90					ی د	\$1.219,900	\$2,577,900	211%
07	2	4			0	\$1,279,000	\$1,715,000	134%
80		2			1 0	\$0	0\$	
60						0\$	0\$	
10					P -	\$405,000	\$405,000	100%
11	-				- (~	\$115,250	\$115,250	100%
12	3		CT AND IN ANY CONTRACT CONTRAC	AND THE PROPERTY OF THE PROPER	T. FG.	\$4,175,283	\$6,234,087	149%
Total	7 L		0					

Table II - Analysis by Type of Sale	ype of Sale		Recovery %
	do#	Current Erom Cales	% Re
Type of Sale	Items		859 087
Direct Sales	14	\$1,692,283	\$4.375.000 \$4.375.000
Public Sales	7	\$2,483,000	
Non-Inventory			\$0
Conveyances	0		\$6.234.087
Sub-Total	21	\$4;1(5;483)	Company of the Compan
Other Funded			0\$
Sales	0		149%
Total	12 m	\$4,175,283	

DINATE SYSTEM OF 1927 ZONE 3. MULTIPLY DISTANCES SHOWN BY 1.0000705 TO DBTAIN GROUND-LEVEL DISTANCES. COUNTY OF ALAMEDA -70 ALA-80 ALA 580 TO HAYWARD-DD-000206-01-01 34th g_{80} PN 34.2 -70 MANURO STATE OF CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF TRANSPORTATION DISTRICT 4 DIRECTOR'S DEED DD-000206-01-01 DRAWN BY: JTM DATE: 8/03 CHECKED BY: SN |SCALE: 1"=400' DR.NO. P.M. CO. RTE. 1 OF 2 880 34.2 ALA Attachment 2 of 22

CITY OF OAKLAND DISTANCES SHOWN BY 1,0000706 TO OBTAIN GROUND-LEVEL DISTANCES. COUNTY OF ALAMEDA TO ALA-80 ALA 580 to hayward— DD-000209-01-01 34th PM 34.2 $\theta 80$ TO MANAGO STATE OF CALIFORNIA BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF TRANSPORTATION DISTRICT 4 DIRECTOR'S DEED DD-000209-01-01 DRAWN BY: JTM DATE: 08/03 CHECKED BY: SN SCALE: 1"=400' DR.NO. CO. RTE. P.M. 1 OF 2 ALA 880 34.2





































